

Courts and arbitration in Latvia

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Under the legislation of Latvia courts of general jurisdiction in Latvia hear civil, administrative and criminal cases. Latvia does not have specialised courts, for instance family courts, or judges who specialise in particular legal issues, as is the case in other countries.

The Civil Procedure Law guarantees the right of every natural and legal person to have recourse to court to assert their legitimate interests and civil rights if these rights have been infringed or contested. All civil disputes if unsettled amicably are subject to court action and must be heard under the prescribed judicial procedures, and nobody may seek assertion of their rights by arbitrary and forcible means. In exceptional cases, the law prescribes that before applying to court some extrajudicial dispute settlement procedures must be undergone, for example disputes stemming from collective bargaining.

Civil cases are subject to substantive examination in **the court of first instance**, which, depending on the type of a dispute, are either district courts or regional courts. The district court under whose jurisdiction the case falls in compliance with the Civil Procedure Law, mainly on the basis of territorial division, is the court of first instance for the bulk of disputes. The regional courts are the court of first instance for disputes over property rights relating to immovable property, cases stemming from contract law, where the amount of the claim exceeds 150'000 LVL (214'000 EUR), cases concerning patent rights and protection of trademarks and insolvency and liquidation of credit institutions. For each claim a state duty (the amount of which depends on the sum of the claim) shall be paid.

Judgements of the courts of first instance can be appealed against by submission of an appellate complaint (the term for appealation is 20 days counting from the announcement of the judgement); the appellate instance for a district court is **the regional court** in whose administrative territory the relevant district court is located. In Latvia there are 5 regional courts corresponding to the historical administrative division. The appellate instance for a regional court is the Supreme Court. The appellate court examines the case on its substantive merits in the extent as requested in the appellate complaint. Cases cannot undergo substantive examination in a court of higher instance before they have been heard in a lower court.

Judgments of the appellate courts can be appealed against by submission of a cassation complaint (the term for submission of a cassation complaint is 30 days counting from the announcement of the judgement). The cassation court for all courts of second instance is **the Senate of the Supreme Court**. The Senate does not review the case on its substantive merits but verifies whether the court has properly applied or construed the applicable laws.

The Senate is the ultimate instance for all courts, and its judgements cannot be appealed against.

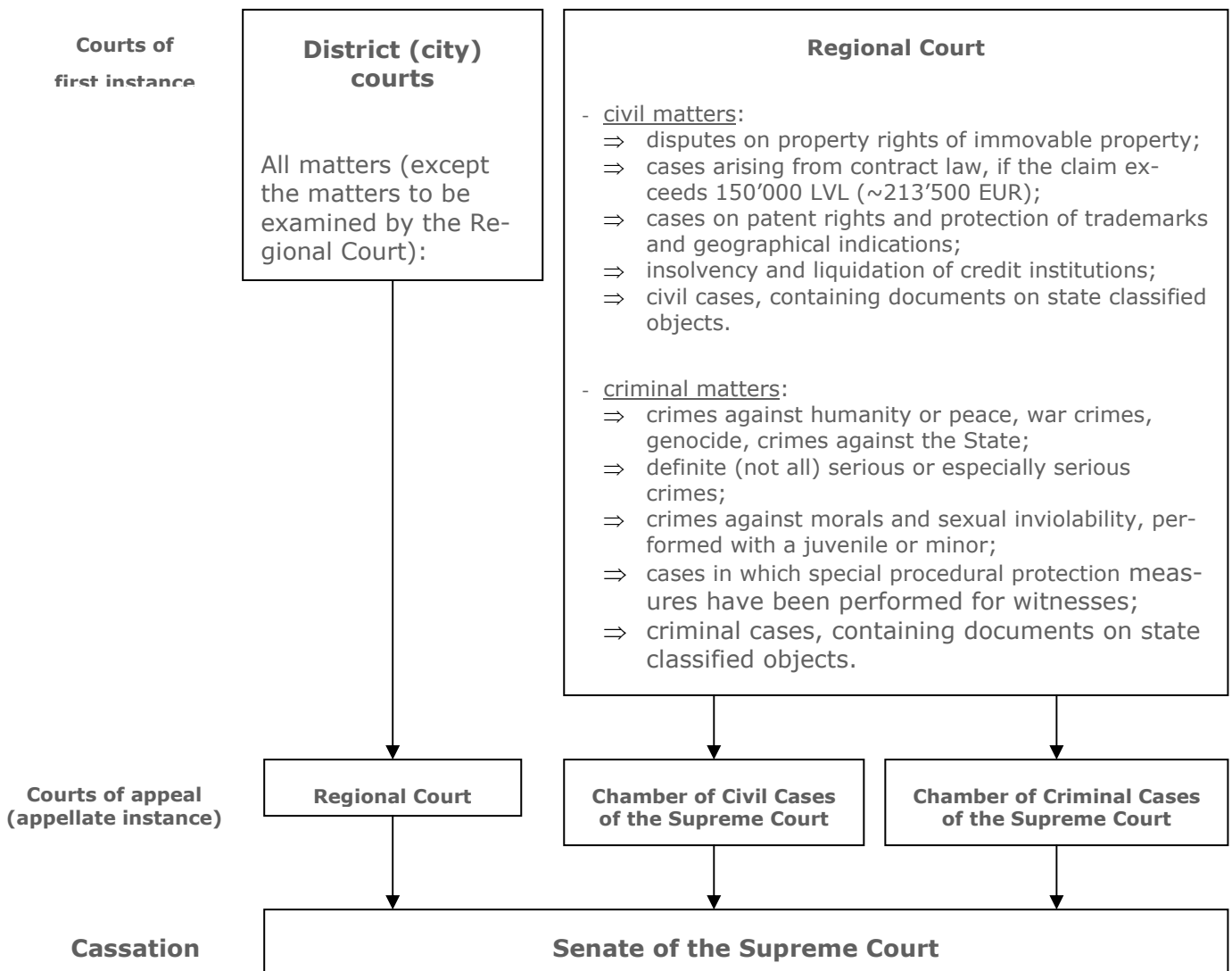
Courts adjudicate civil disputes pursuant to laws and other legislative acts, international agreements binding upon Latvia, and the legislation of the European Union. If an international agreement ratified by the Parliament lays down provisions that conflict with prescribed in the laws of Latvia, the provisions of the relevant international agreement shall prevail. If a judicial matter is governed by the legislation of the European Union directly applicable in Latvia, Latvian legislative enactments are applied to the extent allowed for under the legislation of the European Union.

Disputes relating to administrative affairs (which issues from administrative relationships between a public authority and an individual) are heard by the Administrative District Court. The appellate court for the Administrative District Court is the Regional Administrative Court. The cassation instance for the Regional Administrative Court is the Senate of Administrative Affairs of the Supreme Court.

The Constitutional Court ("Satversmes tiesa")

The Constitutional Court ("Satversmes tiesa") examines cases with respect to the conformity of lower legislative enactments to the legislative enactments of higher rank, for example, the Constitution ("Satversme"), binding international agreements, etc. Any individual may file a claim to the Constitutional Court if they consider that a relevant legislative enactment trespasses upon their rights prescribed in the Constitution.

Court system of the Republic of Latvia (scheme)



Arbitration

The parties to a dispute are entitled by mutual agreement to commit their case to a **court of arbitration**. The parties can decide to go before a court of arbitration to resolve a dispute that has already arisen or that may arise in the future. Any civil dispute can be brought before a court of arbitration except for certain disputes specified in the legislation (disputes as to the award of which may trespass upon the rights of a person who is not a party to the arbitration agreement, disputes in which a public or a local government institution is involved, as to duties of persons under guardianship or trusteeship, as to eviction of a person from residential quarters, individual labour disputes and some others). If the parties have agreed to commit their dispute to a court of arbitration, an application must be submitted to the appropriate court of arbitration. An award of a court of arbitration is final and binding upon the parties and cannot be appealed against; the parties must voluntarily comply with it. If the award has not voluntarily been complied with, the party for whose good the award made may apply to a court of general jurisdiction (district court) and to request dispensation of an execution writ. The courts of general jurisdiction does not examine the merits of the award, but before dispensation of an execution writ ascertain whether the material procedural rules as to the composition of the arbitral panel, equity of parties and other material rights have been observed.